

AL 11185

Alberta Agricultural Products Marketing Council

ANNUAL
REPORT

1993 - 1994

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MAY 1 1995



ALBERTA
AGRICULTURE, FOOD AND RURAL DEVELOPMENT

Office of the Minister

May 2, 1994

To His Honour the Honourable Gordon Towers
Lieutenant-Governor of the Province of Alberta

Sir:

I have the honour to submit herewith the annual report of the Alberta Agricultural Products Marketing Council for the fiscal year ending March 31, 1994 and in accordance with the provisions of the Marketing of Agricultural Products Act.

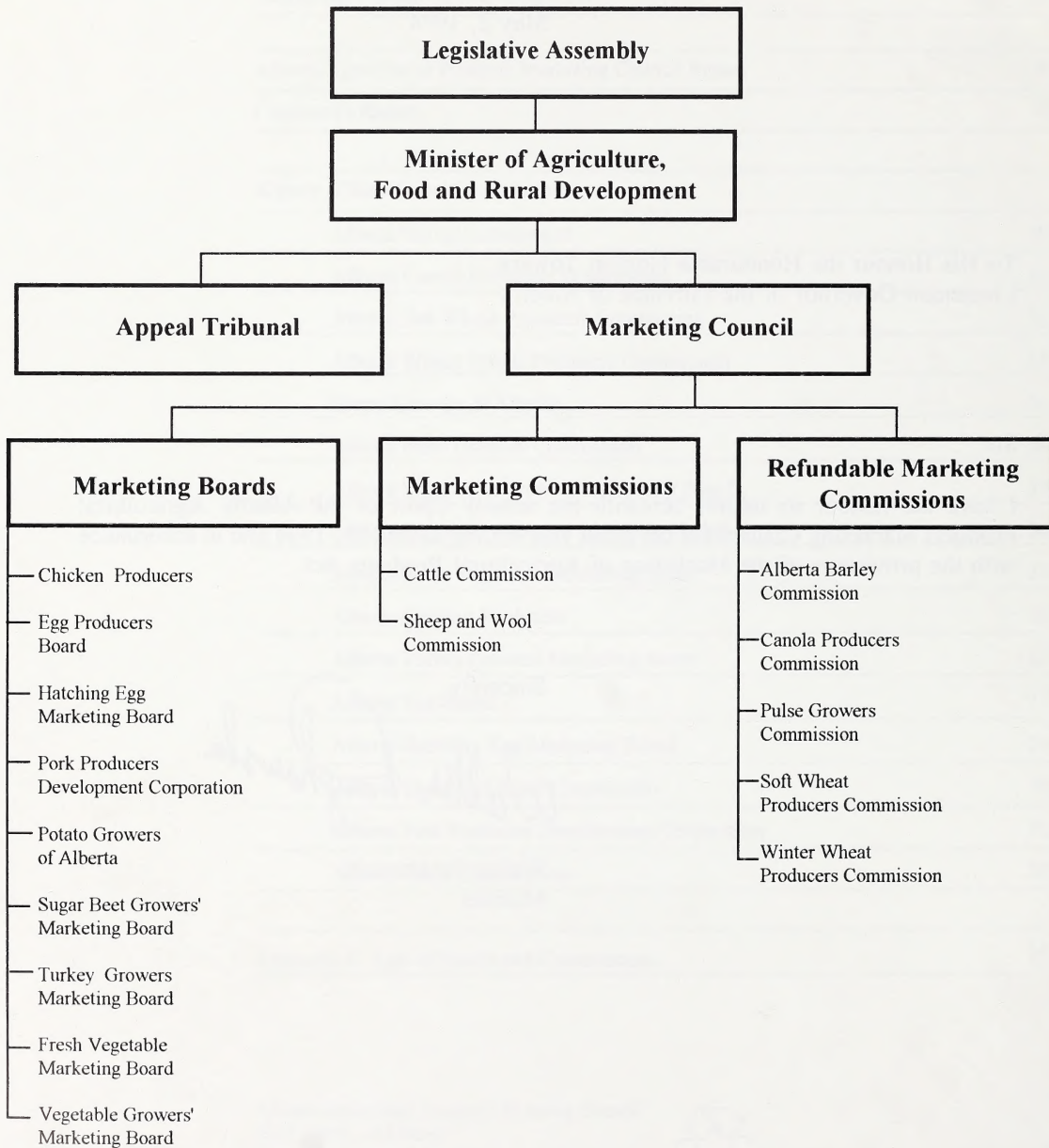
Sincerely,

A handwritten signature in black ink, reading "Walter Paszkowski".

Walter Paszkowski
Minister

Figure 1

Alberta Agricultural Products Marketing Council



Marketing Council Members



Back Row (left to right):

Harry Schudlo
Frank Spanbauer
Ron Kidd
Ken Smith
Brian Rhiness
Louise Radomsky
David Walker

Sexsmith, grain producer
Barnwell, grain, sugar beet and pulse producer
Mayerthorpe, cattle and grain producer
Sherwood Park, General Manager, Marketing Council
Wetaskiwin, Manager, Projects and Policy
Edmonton, consumer representative
Edmonton, Alberta Agriculture, Food and Rural Development

Front Row:

Frank Fallwell
Enid Schreiber
Dietrich Kuhlmann
Diane Aves
Jacques Dargis
Harvey Buckley

Calgary, food processor
Dapp, cattle and grain producer
Vice-Chairman, North Edmonton, vegetable grower
Edmonton, Manager, Corporate Affairs
St. Vincent, hog and grain producer
Chairman, Cochrane, cattle rancher

The Alberta Agricultural Products Marketing Council

The Alberta Agricultural Products Marketing Council is a crown corporation established by the Marketing of Agricultural Products Act. The Act charges Council with the responsibility of supervising the operations and facilitating the establishment of agricultural marketing boards and commissions. Council's central purpose is "to enable and assist the evolution of agricultural commodity groups, while recognizing the interests of the general public."

Council is in the business of fostering effective agricultural commodity organizations within the province of Alberta. Its central roles are to facilitate the creation and the amendment of appropriate infrastructures for producer organizations wishing to use the legislation. Council must also, in a resolute and just manner, oversee the ongoing operations of the existing boards and commissions.

Marketing Council's priorities are as follows:

- a) To foster effective commodity organizations which are self reliant and responsive to the dynamics of the marketplace
- b) To enable producer initiatives in marketing, research and development
- c) To broaden the focus of commodity organizations beyond regulatory control so as to encourage the development of sound business philosophy and strategic planning
- d) To encourage the updating of marketing plans and regulations under the revised Act
- e) To ensure that the interests of all stakeholders are respected

There are currently sixteen producer commodity groups which operate boards or commissions. Figure 1 lists the various commissions now in operation and outlines their primary authorities.

The powers of an individual board varies with the needs of the commodity group it serves. Some boards have price and quota setting powers and others have the sole function of collecting levies which are used for research or promotion.

Collectively, the sixteen boards and commissions represent a significant portion of Alberta's agricultural activity. Regulated commodities range from traditional crops and livestock such as barley, cattle and poultry to special crops, fresh vegetables and pulses. The sixteen regulated commodities generated over \$3.0 billion in farm cash receipts in 1993 in Alberta or about three out of every four dollars of farm cash receipts (not including government payments) in the province.

THE ALBERTA AGRICULTURAL PRODUCTS MARKETING COUNCIL

History of the Council

The Alberta Agricultural Products Marketing Council was established in 1965 by means of the Marketing of Agricultural Products Act.

In 1972, the Minister expanded the number of members of the Council to eight and revised its terms of reference to be consistent with the Government of Alberta's and the then Alberta Department of Agriculture's policies for the marketing of agricultural products. The new Council placed greater emphasis on supporting Alberta's marketing boards and commissions in their marketing role.

The Marketing of Agricultural Products Act was amended again in 1987. These revisions were written to meet the challenges of working with an ever more complex agricultural industry in the province and to better serve the growing and developing commodity organizations working under the legislation.

National Council

The Alberta Agricultural Products Marketing Council is active in its liaison role between Alberta and the National Council. The National Farm Products Marketing Council was established in 1972, under the Farm Products Marketing Agencies Act, to oversee the operations of the agencies which administer national and regional marketing plans.

As of the end of the fiscal year, March 31, 1992, The Alberta Hatching Egg Marketing Board, The Alberta Egg Board, The Alberta Turkey Growers Marketing Board and The Alberta Chicken Producers were signatories to National Agreements.

Boards and Commissions
operating under the
Marketing of Agricultural
Products Act
Total Revenues and Expenses

1992/93 - 1993/94

Total Revenue
\$12,309,588 \$15,193,958

Total Expenses
\$11,969,119 \$14,965,366

Net Revenue
\$ 340,469 \$ 228,592

Source: Alberta Agricultural Products Marketing Council

Chairman's Report

As Chairman of Marketing Council, it is my pleasure to report on a very active and productive year.

Council continued to work on improved cooperation and communication with the Boards and Commissions that it supervises. These efforts have shown very positive results with more effective working relationships in place.

The Alternate Dispute Resolution Working Group, made up of Council and Board and Commission representatives, continues to work on Section 36 reviews with a view to putting forward methods to resolve industry disputes without costly legal battles. Mediation Seminars, organized by Council, were well attended by industry representatives. The feedback has been very positive. The efforts on the alternate dispute resolutions have contributed to a significant reduction in the number of appeals sent to the Appeal Tribunal.

Cattle

Cattle Commission issues were a dominant focus for Marketing Council activities over the past year.

The on-going turmoil resulting from the legal challenges to the Cattle Commission's Plan and its operations was an unproductive distraction to the industry. The Court of Queens Bench ruling supporting the Cattle Commission's Plan regulation did not resolve the issues to the satisfaction of all parties. With the agreement of interested parties, Council held a province-wide producer vote on the issue of check-off refundability. The issue was fully debated at producer meetings and voting took place at the meetings or at the offices of district agriculturists. Producers could also request a mail-in ballot. Of the 7,400 producers voting, 52 per cent supported the continuation of the Cattle Commission with a non-refundable service charge. Council will be encouraging the cattle industry to work together in developing a marketing plan that will meet the industry's future needs.

GATT

A new GATT agreement brought with it uncertainty for the supply managed industries and others. Council is working very closely with the Boards to ensure that producers have the tools they need to take advantage of the new opportunities and challenges.

Many of the Boards and Commissions are optimistic about the potential opportunities of the new GATT agreement and the potential for increased markets for their products.

Chicken

Following a new producer approved plan, the Alberta Chicken Producers' Marketing Board and Council approved new regulations to increase the number of new producers entering the business and to recognize increases in efficiency and consumer demand for chicken.

The chicken industry faces significant challenges in the coming year. The future of the national agency is at the centre of the discussions. The issues include a new national allocation system and product pricing.

CHAIRMAN'S REPORT

Eggs

The egg industry was unable to reach an agreement on the future of the Canadian Egg Marketing Agency (CEMA) and continues to operate outside the Federal-Provincial Agreement. The industry is working towards an agreement on a national quota exchange which will allow quota to move to areas of need and competitive advantage. Egg pricing and grader concerns remain as issues for Council.

Pork

Council worked closely with the Alberta Pork Producers Development Corporation to assist and, where possible, facilitate the transfer of shares in Fletchers to producers. Fletchers' bankers were unwilling to support the transfer of shares without an injection of equity. This prompted the Board to develop an Equity Injection Plan. This Plan was supported by the producers and Council. The basis of the Plan is to transfer the ownership of Fletchers from the Board to producers while ensuring the company is financially stable. Producers will be expected to provide the equity needed for Fletchers to be successful.

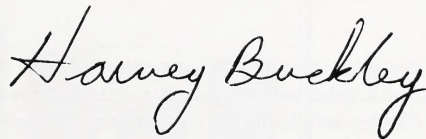
Three-Year Business Plan

Council joined other Alberta government agencies in preparing a three-year business plan. Council's plan focused on reducing costs and improving efficiency under a new funding arrangement.

Council also began the process of developing a new strategic plan to take it into the next century. Council will be working very closely with the Boards and Commissions, as well as other industry stakeholders, to develop a plan that meets the needs of its clients.

Thank you

As Chairman, I would like to thank the Minister of Agriculture, Food and Rural Development and the Standing Committee on Agriculture for their continuing support and guidance. Also, thank you to Council members and staff for their commitment to the agricultural industry and their hard work on behalf of our clients. Without this commitment, Council would not have enjoyed the success it has over the past year.



Harvey Buckley
Chairman

Alberta Barley Commission

Alberta Barley Commission

Revenues and Expenses

July 31, 1993

1992 - 1993

Total Revenue

\$ 476,427 \$1,111,723

Total Expenses

\$ 303,815 \$ 885,814

Net Revenue

\$ 172,612 \$ 295,839

Source: Alberta Barley
Commission Annual Report

The Alberta Barley Commission is a farmer funded and controlled organization formed under the Alberta Marketing of Agricultural Products Act. The purpose of the Commission is to represent Alberta barley producers in the areas of research, market development, producer services and policy development.

Liaison and communication with barley growers are top priorities for the Alberta Barley Commission. The producer liaison committee has identified projects that promote a positive image of the barley industry, ensuring producer awareness. This helps the Commission serve as a source of information for both producers and the industry.

As outlined in the Commission's first annual report, research and development continues to be a top priority. This year \$356,199 was put into funding 11 major research projects. Altogether, \$1.5 million was requested in this first full year of funding, with 38 proposals submitted for consideration. The funding was divided between breeding, product development, disease resistance and conservation research. Three of the 11 projects were funded jointly with other granting organizations. Joint funding and collaborative research were identified by the Research Committee as important considerations when allocating funding.

The Commission has divided research into three broad categories, realizing that there is considerable overlap between the different areas. Feed, food and malt are the main end uses for barley. These three categories represent the bulk of research currently underway with Commission funding. The malt industry has contributed significantly to the development of barley for the brewing industry both through corporate in-house research initiatives and through the activities of the Brewing and Malting Barley Research Institute.

The Alberta Barley Commission has been active in several projects related to market development in the past year. The results of a study conducted by Dr. Clare Youngs on behalf of the Alberta Barley Commission entitled *Research and Development Opportunities in Value-Added Barley Products and Processing Techniques* was published in November 1992. This report identified several opportunities which the Commission could consider exploring further.

To explore the nutritive value of Canadian grown barley varieties, the Alberta Barley Commission has participated with several other organizations to develop a method to rapidly identify quality of barley samples for the feed industry. This project has now been completed and a report is due shortly.

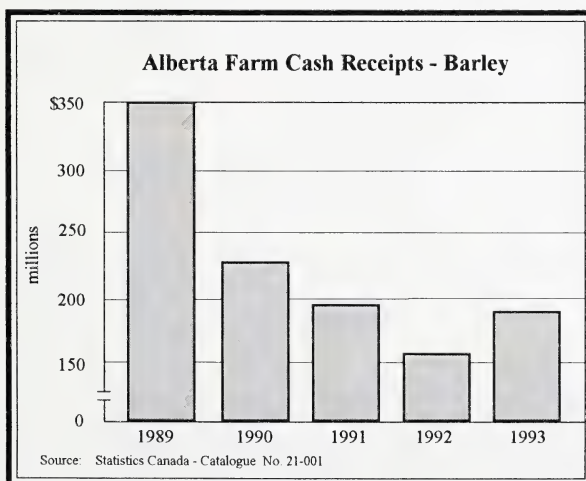
Several barley related matters surfaced in the 1992/93 crop year which we believe will have major implications for barley production and marketing. While the regulations enable the Commission to conduct policy development on a broad range of farm issues, the Commission has tried to restrict its involvement to matters which have a significant impact on the barley industry. The Commission has participated in general farm forums from time-to-time, but has refrained from pursuing these activities in an assertive fashion.

The Alberta Barley Commission argued that improvements to the grading system were required to ensure the integrity of grain being delivered by barley farmers and reduce the deterioration of quality which was occurring within the handling system. The Canadian Grain Commission tightened the allowable tolerances for total foreign matter from four per cent to 2.5 per cent to meet export specifications.

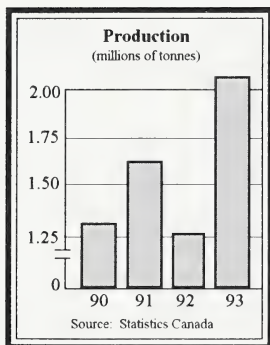
The Canadian Grain Commission established a new grade for feed barley: Extra 1CW which will permit the Canadian Wheat Board to pay a premium for this heavier, cleaner barley. To facilitate the movement of hulless barley from farm to market, three new grades of hulless barley have been established.

The Federal Minister of Agriculture announced the establishment of a Producer Payment Panel to consider how best to shift the payment of the Western Grain Transportation Act benefit from the railways to producers.

The Continental Barley Market was first proposed in 1992 by Alberta Agriculture, Food and Rural Development. It would allow farmers to market their barley freely in the North American marketplace. An economic analysis of the North American barley market indicated that there was no economic advantage in selling Canadian barley through a single desk marketing system. In fact inefficiencies would be avoided.



Alberta Canola Producers Commission



The 1993 growing season certainly presented a challenge for the farmer once again. Even after the adversity we experience in the previous year, there seemed to be a high degree of optimism as we headed into the 1993 crop year.

A brief perspective of canola marketing indicates that canola crush produces about 41 per cent oil and 58 per cent meal. However, in monetary terms the oil generates about 80 per cent of the total revenue compared to 35 per cent for soybeans. The Canadian canola industry is highly dependent upon exports including over 50 per cent of the seed produced. Our major export markets are Japan for seed and the United States for oil and meal. In 1992/93 Mexico came back into the market and Europe imported some 250,000 tonnes of low grade seed from Canada. It is anticipated that both these markets will expand in 1993/94. Because of lower yields and acreage, the EC will be short of oil seed for their crush demand.

Over the past few years the United States has been a rapidly expanding market for both canola oil and meal. In 1982 the canola oil share of the U.S. vegetable oil market increased from 3.9 per cent to 4.8 per cent of which 70 per cent was supplied from Canada. The United States also accounts for 74 per cent of Canadian canola meal exports. Forty per cent of our canola oil and 67 per cent of our meal is exported. Considering also that half the canola seed produced in Canada is also exported, our industry is heavily dependant upon export markets.

Over one-half of the canola seed produced in Canada is exported to Japan. It is important that there be good communication between the participants of the two countries. For this purpose, representatives of the canola industry and governments of the two countries meet twice a year. The pre-consultation meetings are held in Canada in mid-summer and the consultation meetings are held in Japan in December.

This year a delegation of 21 Japanese and 15 Canadian delegates met at Clear Lake, Manitoba on August 16th. Topics presented by the Japanese side included Japanese supply and demand, perspective on proposed canola grading changes and comments on quality problems with last year's crop. Canadian presentations included outlook for 1993 Canadian production, Canadian supply and demand, aspects of Canadian canola quality control and 1993 growing conditions. They described Canola Production Centres giving a summary covering three years of activity and an overview of transgenic breeding of canola in Canada.

The Canola Council of Canada (CCC) supports canola utilization research and most of the varietal development research in western Canada. In Alberta we support some varietal development work and agronomic research. About 20 per cent of our research budget is spent on varietal work primarily at the University of Alberta and 80 per cent is used to support agronomic research and demonstrations.

The Research and Demonstration Committee provides a balanced approach, having members from the Commission, research institutions, industry, government and CCC. The Committee reviews and prioritizes the research applications and recommends selected projects for Board approval. To avoid duplication, the Alberta Canola Producers Commission (ACPC) cooperates closely with the Canola Council of Canada which actually receives the applications from the research community.

Alberta Canola Growers Commission

Revenues and Expenses July 31, 1993 1992 - 1993

Total Revenue
\$ 848,506 \$ 837,069

Total Expenses
\$ 736,465 \$ 812,850

Net Revenue
\$ 112,041 \$ 24,219

Source: Alberta Canola
Producers Annual Report

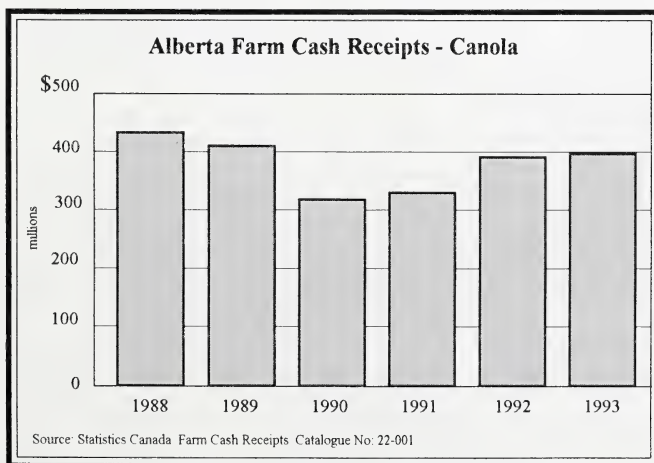
The recently formed Saskatchewan Canola Development Commission (SCDC) is now part of this coordinated cooperative effort. Several projects have received joint funding from ACPC and CCC and ACPC and SCDC. Results of the research are made available through our newsletter. This is done on a continuous basis as the information is received from the researchers.

The Virulent Blackleg Control Program is a cooperative effort of Alberta Agriculture, Food and Rural Development, Agriculture Canada, municipal Agricultural Service Boards, the Canadian Seed Growers Association and ACPC. The objective is to keep the disease out of uninfected areas and control the disease where it is present.

In 1992, for the first time, blackleg was found on one farm in the Peace River region. A newspaper publicity program was coordinated in the region to alert producers to the dangers and recommending control procedures. In 1993, blackleg was detected in 90 locations of the Peace River Region (County of Grande Prairie, M.D. #130 Smoky River, I.D. #17 W. Peace River and M.D. #135 Peace). Officials have taken appropriate action and necessary procedures for follow-up are in place.

The Agriculture Caucus, in a meeting with the ACPC, had an opportunity to become aware of the Blackleg Control Program, Alberta farm fuel distribution allowance, safety nets, the future of GRIP and quality problems with the 1992 canola crop.

To deal with the Crow method of payment, the federal government has set up a Producer Payment Panel under the chairmanship of Dr. Ed Tychniewicz, Dean of the Faculty of Agriculture and Forestry, University of Alberta. The purpose of this panel is to recommend to the government as to how the Crow payment could be made to the producer rather than to the railroad companies. The farm organizations were asked to submit input by August 13th. They were also asked to nominate a representative to a secretariat that will advise the panel.



The Alberta Canola Producers Commission is pleased to report on a successful year of activities. With lower tonnage from last year's crop, we were still able to implement a full program of activities. Our Research and Demonstration Committee funded 29 projects including Production Centres for a total ACPC expenditure of \$257,896.

With the increase of canola production in Alberta this year, expected revenues for the Commission will provide a strong financial base to carry on and expand its promotional activities.

Alberta Soft Wheat Producers Commission

Alberta Soft Wheat Producers Commission Revenues and Expenses

July 31, 1993

1992 - 1993

Total Revenue
\$ 169,673 \$ 147,782

Total Expenses
\$ 155,848 \$ 159,206

Net Revenue
\$ 13,825 \$ (11,424)

Source: Alberta Soft Wheat Producers Commission Annual Report

The Alberta Soft Wheat Producers Commission has completed its first three years of operation successfully. The Commission will attempt to maximize returns to producers by the transfer of information and effective presentations on behalf of soft wheat production in Alberta.

The second year of agronomic testing for the new cultivar AC Reed was completed. The project was totally funded in 1993 by the Alberta Soft Wheat Producers Commission. It was again demonstrated that AC Reed out-yielded Fielder by six per cent to 15 per cent, was stripe rust resistant, had earlier maturity (2 to 5 days), had better lodging resistance, was more shatter resistant, had improved sprouting resistance and had better test weight. The variety appears to continue to respond to higher levels of nitrogen fertilizer better than Fielder and could require lower seeding rates. There are 160,000 bushels of certified seed available for seeding in 1994 and would result in approximately 100,000 acres of AC Reed production in 1994.

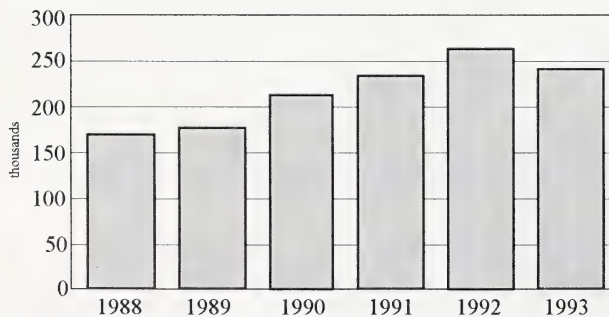
Agronomic information on the new variety AC Reed was presented to about 175 soft wheat producers at annual district meetings held in January 1994. One of the test sites and the plant breeders plot in Bow Island were visited by 100 producers during field tours in 1993. Agronomic information was presented to 60 delegates and 40 guests at the Commission's annual meeting. This information was reproduced in 400 annual reports and in 2450 March 1994 *Soft Wheat Review* newsletters. Dryland production of AC Reed is being explored in 1994 to provide quality data to the Canadian Wheat Board for future market development and increased Alberta production.

Negotiations with the Canadian Wheat Board resulted in a Guaranteed Delivery Contract for all the production of #1, #2 and #3 soft wheat. The Commission negotiated with western millers to provide a freight and quality incentive to producers of soft wheat. This coming crop

year will see the introduction of a low protein bonus contract for #1 and #2 soft wheat with the Canadian Wheat Board. As more consistent quality is provided by the new cultivar AC Reed, the Commission is confident additional new and premium markets will result.

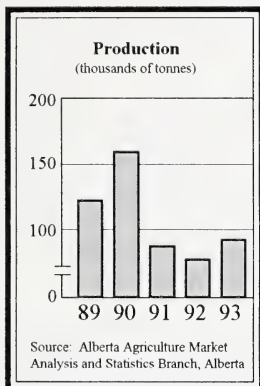
The Alberta Soft Wheat Producers Commission is involved in presentations on many facets of soft wheat production on irrigation. Lobbying and making presentations on behalf of programs that address production as a factor is very important to the soft wheat industry. The Commission looks forward to changes that would make the soft wheat industry more efficient.

Alberta Soft Wheat Production
(Seeded Acres)



Source: The Canadian Wheat Board seeded and quota acreage statistics, *Soft Wheat Review*, Spring 1994

Alberta Winter Wheat Producers Commission



Alberta Winter Wheat Producers Commission	
Revenues and Expenses	
July 31, 1993	
1992	- 1993
Total Revenue	
\$ 37,987	\$ 39,852
Total Expenses	
\$ 52,732	\$ 59,589
Net Revenue	
\$ (14,745)	\$ 19,737
Source: Alberta Winter Wheat Producers Commission Annual Report	

Harvest conditions in 1993 again demonstrated the advantages of including winter wheat in cereal rotations. Taking advantage of early maturity is a more cost effective option than buying a larger or second combine. It is also a good hedge against poor harvest weather next year. Early maturity minimized weather damage of winter wheat this year and avoided frost this harvest.

Fiscal restraint continues to affect the Commission's ability to serve producers. The directors and staff worked to increase the awareness and acreage of winter wheat in its six regions. Over the past year the Alberta Winter Wheat Producers Commission (AWWPC) has forged some important alliances with respect to promoting this commodity. As a result, producers outside the traditional areas of winter wheat production were reached.

Directors of the AWWPC have undertaken tours to various areas of the province to promote the crop. This summer Commission members attended meetings in the Peace River region. They pointed out winter wheat's potential for recropping on pulse and special crop stubble. Demonstration plots have been established in north and north central Alberta through Applied Research Projects. Some of these plots are in areas previously considered unsuitable for winter wheat production.

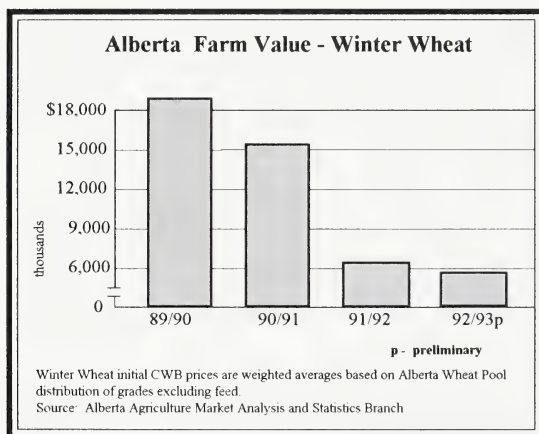
AC Readymade, a variety developed at the Lethbridge Research Station, continued to out perform older varieties in most cases while maintaining reasonable to good quality. Tests show this variety has distinct advantages such as higher protein. Yields of 55-75 bu/ac were not uncommon with exceptionally high bushel weights. Kestral yields were also outstanding but quality suffered wherever moisture exceeded nitrogen reserves.

Because of the weather, seeding opportunities were limited, especially in the south of the province. Winter wheat acreage was down to less than half of what it was during the first year of Alberta Winter Wheat Producers Commission operation in 1990. The projected acreage for 1992 - 93 was approximately 70,000 acres. It appears that a high percentage of winter wheat went into the feed market. The Commission relies on wheat delivered into the Wheat Board system for its statistics. Refunds are down to less than one per cent.

One of the most interesting initiatives and quite possibly the most important, is a joint project with the Canada - Alberta Environmentally Sustainable Agriculture Agreement (CAESA). Funding was obtained from CAESA through the development of a four-year plan to demonstrate the conservation potential of winter wheat. Bob Simmons, on behalf of the Commission, devised a plan whereby the benefits of winter wheat for cover cropping, rotation and early spring moisture utilization could be shown to a broader spectrum of producers. For example, the ease and advantages of recropping on canola stubble is attracting interest from producers in northern Alberta. The inherent conservation benefits of winter wheat may prove to be the greatest single impetus for dramatic increases in acreage in the short term and the CAESA project will be an excellent means to encourage this expansion.

Other developments include the consent by the Canadian Wheat Board to allow Palliser Distillers of Lethbridge to purchase up to 500 tonnes of winter wheat for a trial run in their distilling process. The wheat is to be made available to them at a price competitive to corn.

The Canadian Wheat Board will be accepting separate contracts for 1994 - 95 production on AC Readymade. By having a separate contract for Readymade, the Canadian Wheat Board will be able to make adjustments to the final payment according to the protein premiums from its sales.



The Commission continues to support Dr. Julian Thomas with his developmental plots at the Lethbridge Research Station. His efforts not only enhance yield but also improve quality in new cultivars. This is crucial in terms of developing new and consistent market opportunities. Research funds also supported Dr. Rick Butt's pest control program and Bob Blackshaw's weed control program.

The Germinator remains the primary means of communicating with producers. The objective of the newsletter has been to present information on a variety of aspects directly concerning winter wheat and its production in a concise fashion with a modest amount of advertising to defray the costs of publication.

Potato Growers of Alberta

Over 26,000 acres of potatoes were planted in Alberta in 1993 according to official figures. From August 1 to November 1, 1993, approximately 1,400,000 cwt were shipped and the amount of potatoes in storage in mid-October was 5,165,000 cwt. That puts the amount of potatoes produced at about 6,003,000 cwt. That compares with last year's estimated production of 7,661,000 cwt. at the same time according to Statistics Canada November estimates.

The Canadian Horticultural Council's Potato Committee is making sure potato issues are being given proper consideration in all areas of concern. The Maine potato investigation is an issue, as is the United States trade investigation of intra-provincial potato shipments within Canada and the named provinces include Alberta, Ontario, New Brunswick and Prince Edward Island. As a result of NAFTA, growers initially shall see a new tax levy on

POTATO GROWERS OF ALBERTA

Potato Growers of Alberta Revenues and Expenses 1992 - 1993

Total Revenue
\$ 447,973 \$ 445,790

Total Expenses
\$ 480,069 \$ 445,739

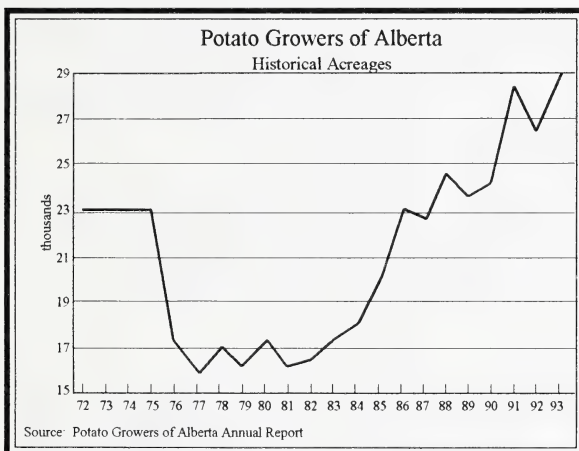
Net Revenue
\$ (32,096) \$ 51

Source: Potato Growers of Alberta
Annual Report

truck shipments but this will disappear over time. NAFTA will also advance the possibility of selling potatoes and potato products into Mexico. The The National Forum for Canada U.S. Information Exchange is also beneficial for building mutual understanding.

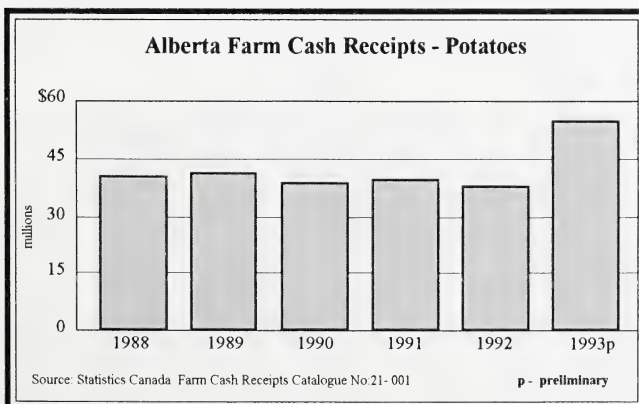
In 1992 the Council of Alberta Horticultural Industries (CAHI) was formed. The group consists of nine horticultural associations. CAHI has considered how best to promote the Alberta Horticultural Industries. As a beginning, they have employed their advisory group to do a survey of the industry.

CAHI is also very interested in the current Alberta municipal taxation issue on specialized farm buildings used for processing farm commodities into value added farm production. This persistence by Alberta municipalities seems to fly in the face of the Alberta Agriculture, Food and Rural Development policy which encourages farm diversification and value-added production.



The 29th Annual Meeting of the Potato Growers of Alberta (PGA) was held in Lethbridge in November and was considered to be very successful. Important potato business decisions were made by PGA members. The proposed price of seed potatoes was established. Motions were made to support the Federal PVYⁿ policy and are to be drawn to the attention of the appropriate authorities.

The PGA completed their first TV and poster campaign for the promotion of potatoes and potato products. The response to the campaign has been very positive and other ways to let the public know about our fine product are under consideration for 1994.



Alberta Pulse Growers Commission

Alberta Pulse Growers Commission Revenues and Expenses

July 31, 1993

1992 - 1993

Total Revenue
\$ 203,661 \$ 198,689

Total Expenses
\$ 167,167 \$ 207,962

Net Revenue
\$ 36,545 \$ (9,273)

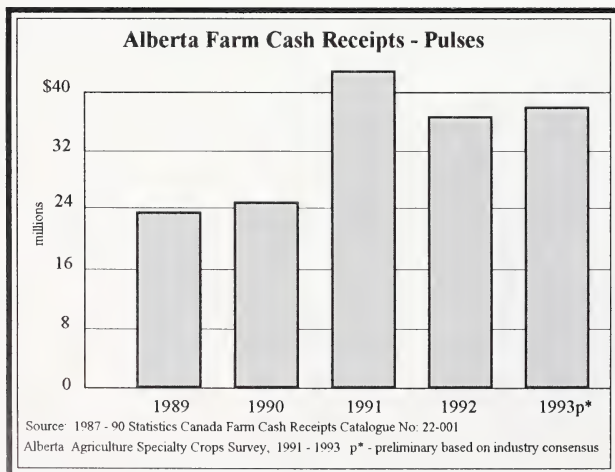
Source: Alberta Pulse Growers
Commission Annual Report

The Alberta Pulse Growers Commission Plan was implemented August 1, 1989. The Alberta Pulse Growers Commission (APGC) serves pulse growers in Alberta by sponsoring and directing agronomic research and varietal testing, promotion of product and marketing and by technology transfer of pulse production information. Activities of the Commission are supported by a voluntary levy from producers sale of product. The support level to Commission revenues continues to exceed 97 per cent of levies collected.

Pulse crop research programs throughout the province receive support and direction from the Alberta Pulse Growers Commission. The Commission actively supported three provincial research projects in 1993. Dr. Sheau-Fang Hwang, Alberta Environment Centre, Vegreville, received support for her pea and lentil disease project. Dr. Giles Saindoin, Agriculture Canada, Lethbridge, continued his dry bean breeding program with support from the Alberta Pulse Growers Commission. Drs. George Clayton and Wendell Rice, Agriculture Canada, Fort Vermilion and Beaverlodge, received support for their pea inoculant project.

The Commission was instrumental this past year in encouraging the Canadian Grain Commission to initiate a study for more effective and precise grading of feed peas. The Winnipeg Commodity Exchange has also been encouraged to investigate the possibility of a feed pea contract on the Exchange. Very good progress has been made in this direction and August 1994 has been targeted as a start-up date.

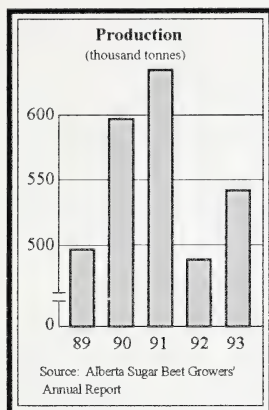
During 1993 the Commission was permitted to restructure the Alberta Pulse Growers Marketing Plan by splitting Alberta Zone 3 into two zones. The Peace River area of the province has now become Zone 4. Two commissioners and six zone directors have been elected. Activities in the zone are already beginning to materialize for 1994. The zone will initiate its pulse agronomy program with a number of varietal assessment sites in this coming crop year.



Technology transfer of valuable pulse production information continues to be very successful through the *Pulse Crop News* published quarterly and through the *Pulse Production Manual*. The manual has been distributed to 2,700 pulse growers.

Product promotion and marketing are still identified as key areas of involvement for the Commission. The second annual Pulses Month was held in January 1994. Continuing awareness and pulse consumption is generated by this most worthy event.

Alberta Sugar Beet Growers' Marketing Board



Early arrival of warm spring conditions saw much field activity by mid-April, 1992. This early start could not be utilized for beet land preparation and seeding due to the Federal Government's delay in committing to a sugar beet program with the result that planting time lost equated to yield loss in harvest. Moisture conditions on average at that time were adequate for germination. Lighter soils were drying out fast and some low lying areas in the west were a little wet.

Once Federal commitment was received, contracting with the Alberta Sugar Company began on April 21, 1993. There was no additional delay in contracting since a three-year agreement was previously negotiated for the years 1992 through 1994. Since 1993 was the second year of our three year agreement with the Alberta Sugar Company, there were only minor negotiations to conduct. Acreage was set at 33,500 for contracting.

Through research and beet management practises developed and refined for us by Dr. Peter Bergen, we are now producing a beet which is the standard for many North American beet refineries. Our aim is to increase quality as well as yield while reducing costs. These cost savings are shared with the Sugar Company through our delivery of a high quality beet which requires less processing time and should be producing a larger amount of sugar more cheaply.

International trade concerns also figured prominently for beet growers in 1993. GATT and NAFTA required many days of meetings and negotiations for the Board representative on the Canadian Sugar Beet Producers Association (CSBPA).

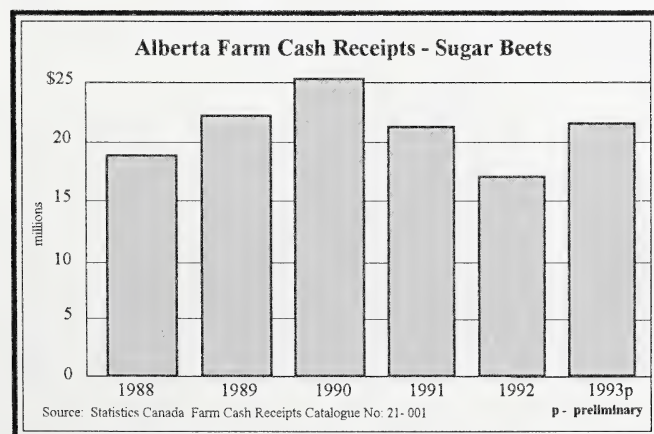
NAFTA had the highest profile in our media. CSBPA efforts were aimed at protecting the market access guaranteed by the U.S. - Canada Free Trade Agreement for our sugar exports to the United States. There is still no long term comfort in the negotiations for that access.

The Americans are asking for voluntary restrictions by Canada of exports of sugar and sugar containing products. In return the Americans wish to retain unfettered access to the Canadian market. Retention of the United States re-export program under NAFTA creates an ongoing threat of dumped sugar wrecking the Canadian market.

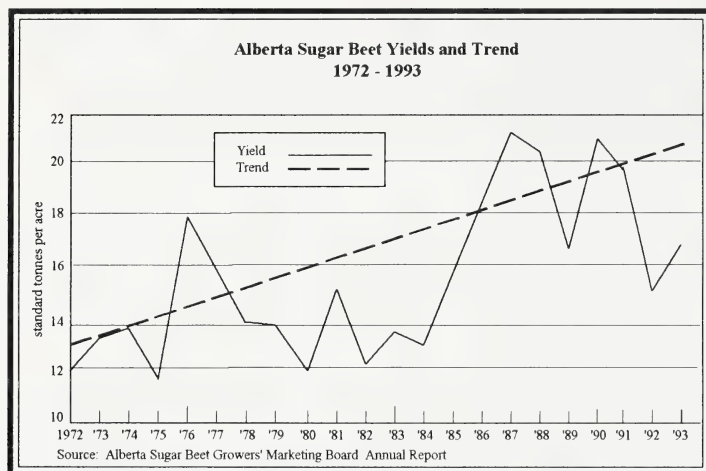
Much of the good work of the Special Measures Committee were of secondary importance during the prolonged National Tripartite Stabilization Plan (NTSP) discussions. Some opportunities have been lost as a result. The recommendation respecting use of Western Diversification funds is an example. The new federal government has changed the role of Western Diversification meaning that large companies may no longer access funds from that source.

Inclusion of sugar beets in National Income Stabilization Act and bridging assistance for

Alberta Sugar Beet Growers' Marketing Board	
Revenues and Expenses	
December 31, 1993	
1992 - 1993	
Total Revenue	
\$ 291,621	\$ 342,510
Total Expenses	
\$ 251,426	\$ 292,703
Net Revenue	
\$ 40,195	\$ 49,807
Source: Alberta Sugar Beet Growers' Marketing Board Annual Report	



ALBERTA SUGAR BEET GROWERS' MARKETING BOARD



the 1992 crop year are two outstanding issues. The state of government finances everywhere poses a huge challenge in making progress here. Governments have made significant efforts to set our industry on a sound footing. However, the Special Measures Committee report made clear that long term survivability of the industry goes beyond NTSP. We will work until that survivability is assured.

The year drew to a close with re-registration in the revised NTSP. All but one eligible grower re-enrolled by the October 31, 1993 deadline. The grower who did not enroll has returned his quota to the Board for 1994.

Alberta Vegetable Growers' Marketing Board

Alberta Vegetable Growers' Marketing Board Revenues and Expenses December 31, 1993 1992 - 1993

Total Revenue
\$ 49,551 \$ 129,645

Total Expenses
\$ 61,409 \$ 57,572

Net Revenue*
\$ (11,858) \$ 72,073

Source: Alberta Vegetable Growers'
Marketing Board Annual Report
* 1993 figure reflects change from cash to
accrual accounting basis

A few years ago we thought in terms of local markets for our produce. Today we are competing in global markets which change almost daily as do the consumer's desires and tastes. While changes will have to be made to value-added industry, the overall situation is felt to be positive. The Alberta Vegetable Growers' Marketing Board is optimistic about the future of the industry.

This past year, the processor made good attempts at supplying Safeway with fresh green and wax beans as well as fresh corn. They will be pursuing these options again in 1994. Additionally, they will be looking seriously at packing fresh market red beets. In 1994, seeding intentions remain positive with probable acreage increases in peas, corn and beans.

We have just experienced two years of cool summer temperatures and early frosts which curtailed the growth and maturity of most crops and compounded weed control problems. The abundance of rain this year, which doesn't always happen in southern Alberta, was good but at the same time had its drawbacks when coupled with below normal temperatures. Frost and snow in September resulted in quality and yield reductions as well as numerous harvesting problems.

The pea crop tonnage was good, but 143 acres were left unharvested because fields were too wet to harvest. Nightshade berries were a problem in several fields in the Cranford area and peas had to be re-worked at the processing plant. 2,798 acres were seeded of which 2,655 acres were harvested. The average yield was 1.8 tons per acre for a gross return of \$688.19 per acre.

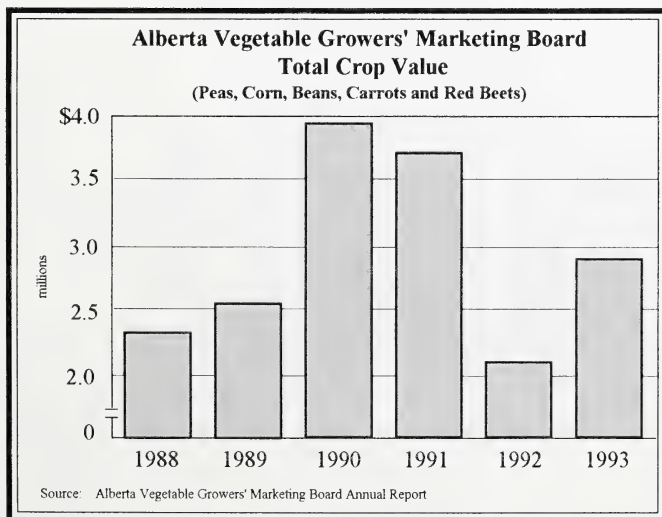
Beans did fairly well with 488.5 acres seeded and 461.7 acres harvested. The average yield was 2.1 tonnes per acre for a gross return of \$512.99 per acre.

There were 43.6 acres of carrots seeded and harvested. The average yield was 30.3 tons per acre for a gross return of \$1,725.30 per acre.

European Corn Borer and corn population were delayed substantially by a wet, cool growing season. However, some growers were required to spray for the European Corn Borer. Frost and snow in September damaged the corn and created numerous harvesting problems. 2,465 acres were seeded of which 2,319 acres were harvested. The average yield was 3.8 tons per acre for a gross return of \$323.41 per acre.

The Farming For The Future European Corn Borer (ECB) Larval Infestation Risk project accomplished some necessary objectives in pursuit of a ECB pest management plan for growers of processing corn in southern Alberta. Data was gathered on the number of male ECB moths caught in pheromone traps set out in thirty-two fields.

Throughout the season, corn growth was behind normal development by about two weeks. Although some corn borer phenological events, such as the appearance of moths, were comparable to last year, by mid-August heat accumulation was more than 200 degree-days behind 1992 and infestation levels were also considerably lower. Growers have become involved in the management program and recognize the value of pheromone monitoring as a management tool. As a result, few fields were sprayed for corn borer this year.



Previous studies of European corn borer control in Alberta processing corn have shown that insecticides can be successfully applied in late July. This model suggests that weekly data of moths caught in pheromone traps can be used to assess the risk of larval damage prior to making properly timed insecticide applications.

This year the Council of Alberta Horticultural Industries (CAHI) was formed and has nine participating bodies. Our produce of beans, peas and corn falls into the category of "edible horticulture." It is hoped that this Council will be able to relate to the provincial government as the Canadian Horticultural Council does on the federal level.

Alberta Fresh Vegetable Marketing Board

Alberta's reputation as "next year country" was repeated in 1993 for vegetable growers. The southern part of the province had a wet, cool summer and the lack of heat units severely affected several crops including sweet corn, squash and pumpkin. It is indicative of the industry's growth that sales of 1993 Alberta grown produce in Alberta may reach \$10 million.

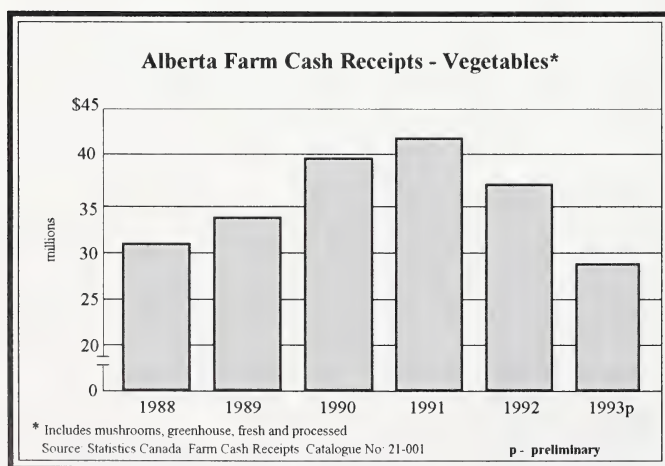
The new Council of Alberta Horticultural Industries (CAHI) has commissioned the first ever complete survey of all sectors of horticulture in Alberta. Completion, expected in May, will demonstrate the potential offered by the development of horticulture and the opportunities for both economic growth and increased rural employment.

After many years of expressed concern with some young growers ceasing production, progress has been made towards obtaining crop insurance for all horticultural crops. A crop insurance review committee under Alberta Agriculture Crop and Income Support Branch and with producer and Alberta Horticulture Crop Insurance Committee representatives has been formed.

Last year, the Alberta Fresh Vegetable Marketing Board reported that there were four areas of concern which dominated the industry. First, the Board was concerned that endeavours to obtain a compensatory program for growers who suffered verifiable losses exceeding \$2 million as a consequence of exceptional weather in 1992 be brought to fruition. Only two of the 21 crops affected were insurable. While both levels of Government expressed concern, no compensation was given. Vegetable producers who now have maximum levels of tariff of 6 per cent with some crops now at zero, remain unsupported.

Second, the Board will continue to urge suitable defence programs for fresh vegetable producers using a proposal contained in the Canadian Horticulture Action Plan. Alberta producers hope that our government will follow British Columbia and Quebec in implementation of this program.

Third, the Board will continue to address removal of government impediments to growth. The report mentioned endeavours being made to impose commercial rates of municipal taxation on fresh vegetable producers and added that this could form the base for similar taxation to be imposed on many other sectors.



ALBERTA FRESH VEGETABLE MARKETING BOARD

Alberta Fresh Vegetable Marketing Board Revenues and Expenses

1992 - 1993

Total Revenues
\$ 226,549 \$ 220,610

Total Expenses
\$ 243,177 \$ 180,555

Net Revenue
\$ (16,628) \$ 40,055

Source: Alberta Fresh Vegetable
Marketing Board Annual Report

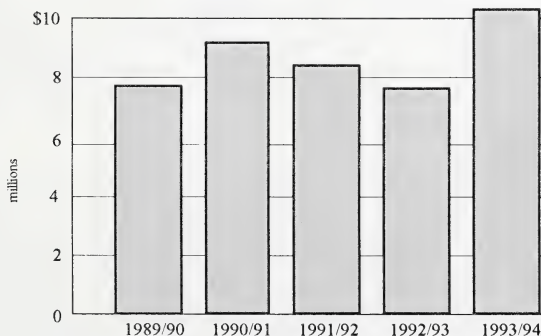
Finally, the Alberta Fresh Vegetable Marketing Board intends to develop programs which could accelerate the rate of growth of the industry in Alberta. Board workshops have addressed this objective, which will continue to be pursued. The Board has introduced new computerized management services for growers which are supplied weekly. It has developed worksheets enabling growers to calculate cost to harvest and cost per unit of produce to point of payment. Both these programs have been introduced without charge. A growers' study tour to Israel and Spain took place in March 1994 and invitations to participate were given to other horticultural organizations and to the Irrigation Associations.

The Alberta Tax Reform Commission has now reported on the issue of taxes on intensive farming operations. Currently all farm buildings used for agricultural production are exempt from property tax. An intensive farm that is involved in agricultural production such as large scale poultry, pork and dairy operations, greenhouses and market gardening does not pay property tax on its buildings while other businesses that produce products must do so. The result is that there is not a level playing field.

The Alberta Tax Reform Commission recommends "Section 8.1. Along with a move to market value assessment, the new assessment authority should examine this inequity and put in place a new system in which assessment of farm buildings is related to the production value of the buildings." "Production value" relates to sales, and could be interpreted as an indirect form of sales tax. This same proposal could affect grain storage and beef feedlots.

This program of activities promises to keep the fresh vegetable industry very lively over the next 12 months.

Alberta Fresh Vegetable Marketing Board Sales



Source: Alberta Fresh Vegetable Marketing Board

Alberta Chicken Producers

Alberta Chicken Producers Revenues and Expenses August 31, 1993

1992 - 1993

Total Revenues
\$ 679,774 \$ 759,346

Total Expenses
\$ 885,174 \$ 678,747

Net Revenue
\$ (205,400) \$ 80,599*

* Does not include CCMA over
production penalties or refunds

Source: Alberta Chicken Producers
Annual Report

During the latter part of 1992, the Canadian Chicken Marketing Agency continued its strategy of holding its allocations close to levels of the previous year. As a result, the market strengthened, particularly in central Canada. This market strength has resulted in significantly increased Agency production allocation for 1993.

Total 1992 Canadian marketings were 562,683,497 kilograms. This was only 3,348,096 kilograms more than the 1991 total.

Alberta marketings in 1992 were 46,774,368 kilograms or 5.2 per cent greater than they were in 1991. Our allocation for 1992 was 45,308,403 kilograms and thus only 202,194 kilograms more than it was in 1991. Alberta's production exceeded the allocation by 1,465,965 kilograms or 3.24 per cent.

A new Plan and a new (Orderly Marketing) Regulation to govern the operation of the Board became effective on March 28, 1993. A series of events led to the passage of this Regulation.

The Alberta Agricultural Products Marketing Council then conducted a plebiscite. This plebiscite was mailed to all producers during the last week of December 1992. Ballots were required to be returned to the Council by January 22, 1993.

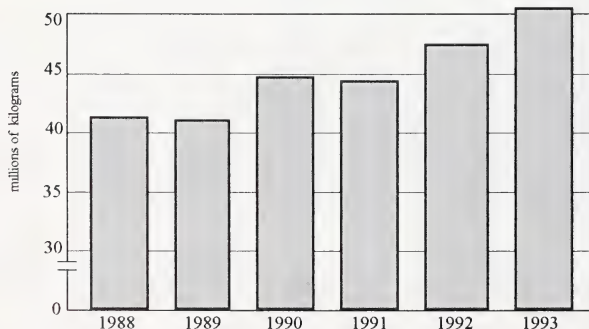
Producers approved the new Plan by a large margin. A total of 308 ballots were marked *Yes* and 17 were marked *No*. One ballot was declared spoiled. A total of 375 ballots were mailed by the Council and 326 were returned.

Producers who market in excess of their marketing quota, for any cycle, are now subject to monetary penalties. The minimal amount collected indicates that producers are adapting to and cooperating with this new system.

The Board wishes to re-emphasize that the purpose of monetary penalties is not to collect money but rather to ensure marketings are in line with market demand. In addition to monetary penalties, a producer's marketing quota will continue to be reduced by the weight of chicken overmarketed. This adjustment is now made approximately one year following the over-marketing.

Quota can now be sold directly, producer to producer without production facilities. Prior to the passage of the new Regulation, on March 28, 1993, sales without facilities had to be made through a Quota Exchange operated by the Board. The actual quota reallocation is still made by the Board. This new system gives the producer more flexibility.

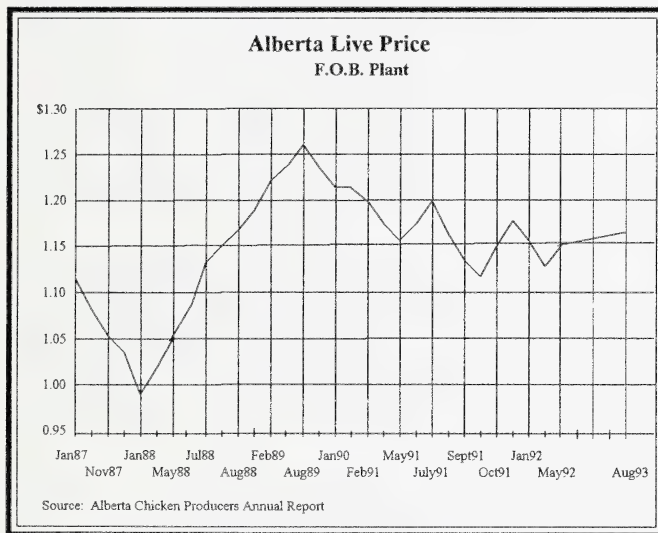
Total Alberta Chicken Production
Cornish, Roaster and Broiler



Source: Canadian Chicken Marketing Agency Data Handbook, 1993

ALBERTA CHICKEN PRODUCERS

The fiscal year 1992 - 1993 marked the second year of the Alberta Chicken Producers promotional campaign. The key objectives of Year Two remained the same. Alberta chicken producers must be protected against the potential of large-scale imports. Sales of Alberta chicken must be strongly promoted.



To this end, the Board undertook a labelling program for Alberta chicken in stores. They did advertising with promotional materials partially funded by the Alberta Food Processors Association. Educational programs were put in place in schools. A recipe brochure, *Chicken Fresh From Alberta Farms* was published as well as an Alberta Agriculture, Food and Rural Development food tabloid. A public opinion survey was done and the Canadian Chicken Marketing Agency allowed for the sharing of promotional activities of each province.

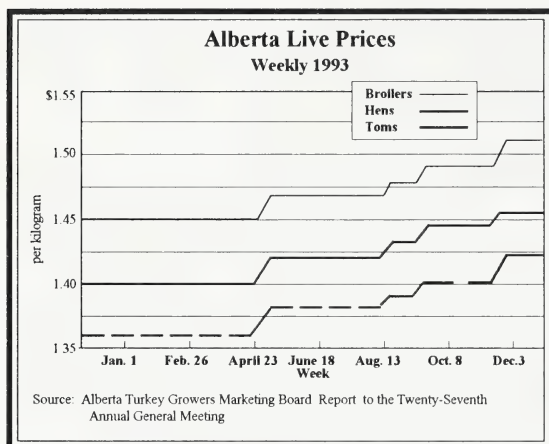
Alberta chicken producers have experienced substantial increases in production during 1992-93. Demand for chicken has been very strong. This success was the result of a number of factors, a key factor being our promotional activity.

Alberta Turkey Growers Marketing Board

Market prices for turkey improved in 1993 due in part to the removal of burdensome inventories throughout 1992/93. As opposed to 1992, all price changes in 1993 were upward. The last price change in 1993 occurred in November. It is important to note that the majority of price changes occurred in the last half of the year. Grower paying prices remained fairly steady from July 1992 to August, 1993.

The Government of Canada ratified the GATT Agreement in December 1993. The Agreement covers a six-year period starting in June 1995. Initial media reports were

ALBERTA TURKEY GROWERS MARKETING BOARD



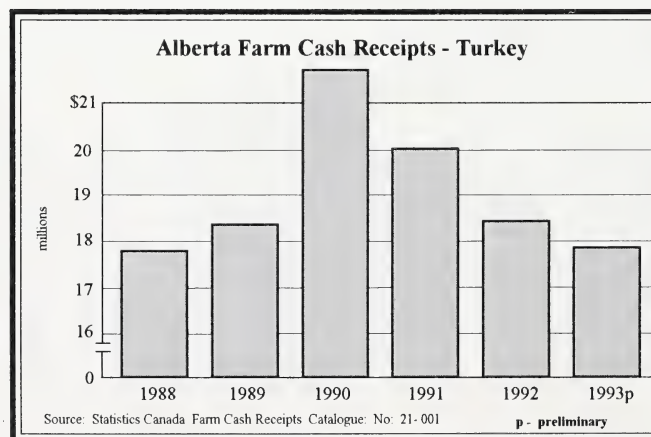
negative on the outlook for supply managed industries in Canada. These reports raised concerns by producers of supply managed products in Canada. In response all producers received letters from the National Agency and a meeting has been scheduled for early 1994. The Agency letter informed producers that the turkey industry in Canada continues to have a future under the new GATT Agreement.

Several issues concerning the GATT Agreement remain outstanding at this time. The ratification by all parties of the tabled tariff levels should take place in early April 1994. The Government of Canada is confident that the tariffs tabled for supply managed goods will be accepted by the other signatories to the GATT Agreement.

The Directors of the Alberta Turkey Growers Marketing Board were pleased to announce the establishment of a research scholarship at the University of Alberta in 1993. Board members felt that turkey research in Alberta would benefit with the granting of the \$1,250.00 award designed to promote graduate student research. The scholarship is targeted at students working in the area of turkey productivity and should complement the work being undertaken at the University of Alberta Poultry Research Centre.

The Board was involved in a number of promotional efforts during 1993. Promotion activities targeted the retailers, consumers, nutritionists, home economics teachers and district home economists throughout the province to promote turkey as a nutritious, lean alternative to other meats.

Alberta Turkey Growers Marketing Board Revenues and Expenses 1992 - 1993	
Total Revenue	
\$ 321,728	\$ 302,146
Total Expenses	
\$ 273,843	\$ 275,509
Net Revenue	
\$ 47,885	\$ 26,637
Source: Alberta Turkey Growers Marketing Board Annual Report	



Alberta Egg Producers Board

Alberta Egg
Producers Board
Revenues and Expenses
December 25, 1993
1992 - 1993

Total Revenue
\$ 795,633 \$ 796,120

Total Expenses
\$ 787,114 \$ 718,165

Net Revenue
\$ 8,519 \$ 77,995

Source: Alberta Egg Producers
Marketing Board Annual Report

The 1993 year once again focused attention on the ongoing, seemingly endless discussions around the General Agreement on Tariffs and Trade negotiations and the frustration over the unresolved issues at the national level.

The Executive met often with representatives from the three other western provinces to confer on issues of provincial pricing and industrial product removal. These same issues caused the Board to meet regularly with representatives from the provincial egg grading industry and the Alberta Agricultural Products Marketing Council. The Board recognizes the importance of fostering and maintaining open communications with these groups.

After seven years of deliberation, negotiations on the General Agreement on Tariffs and Trade came to a close on December 15, 1993. Canada was unable to secure a clarified Article XI and as a result, tariffs will replace import quotas as a means of protection. It is felt that the tariff levels set for eggs and other supply managed commodities are sufficiently high to serve as effective protection from imports.

Tariff levels for eggs are expected to be set at 192 per cent initially and will be reduced to 164 per cent over a six-year period between July 1995 and 2001. Also, part of the final agreement is a requirement for a minimum market access for imported eggs of 5 per cent of domestic production.

The Canadian government has continued to provide reassurance that supply management will continue to operate as an effective system under the new GATT agreement. However, it will not be until all details are finalized that we will be able to accurately analyze and determine the effect of tariffication on the industry and the administration of supply management.

In late January, the Board of Directors of the Canadian Egg Marketing Agency (CEMA) proposed a new agreement for the financing of industrial product removal effective for the 1993 year only. This agreement was necessary because Ontario withheld its approval of the previous Memorandum of Understanding proposed in December 1992. In the revised plan, separate programs were established for the western and maritime provinces while Ontario and Quebec financed and administered their own programs.

The amount of industrial product declared in Alberta decreased by 83,576 boxes over 1992. This is due to graders sourcing product from Alberta before importing from other provinces as well as a reduction in the movement of eggs from the Northwest Territories.

This substantial decrease in surplus product created a positive balance in both the CEMA Alberta producer account and the Alberta surplus removal account. By September Alberta had discontinued deposits to the CEMA Alberta account. Levies decreased twice during the year to reflect the lower surplus removal financing. As the year ended with a positive balance in the Alberta surplus removal account, the Alberta Board is, through the levy, returning the excess funds to producers.

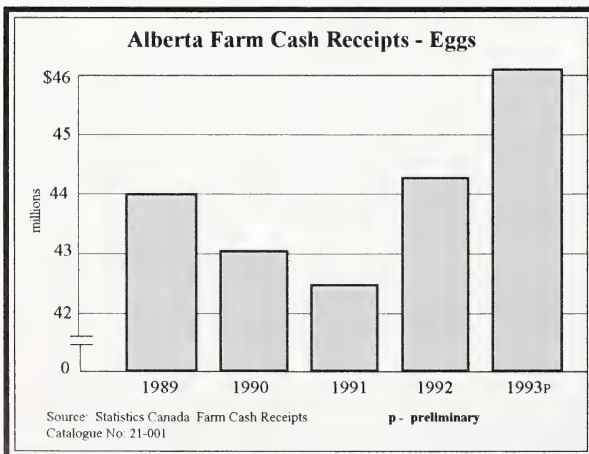
ALBERTA EGG PRODUCERS BOARD

The rules for operating the Quota Exchange were modified, effective on the July 1993 Exchange. The first change was to operate the Exchange on the third business day following the deadline for submissions to buy or sell. Previously, the Exchange had run on the second Tuesday of the month after the closing.

Second, a new procedure was implemented to deal with the situation of excess quota left on the Exchange. Excess quota means that there is more quota clearing on the Exchange than what successful buyers have demanded. To prevent the problem of a seller wishing to leave the industry and not being able to sell all of his/her quota on one Exchange, a procedure was developed in order to clear all of the seller's quota.

The Board had to delay the Quota Exchange scheduled to run on January 12, 1993 because Regulation AR58/79 did not allow for quota to be exchanged without production facilities. This Exchange ran on January 25, 1993 following the filing of the new regulation.

Eggs, The More You Break Them The Better They Work! For the second year this was the slogan that defined the strategy for advertising eggs. As the main focus, CEMA continued to run the television advertisement developed in 1992. Provincially we cooperated with British Columbia and Saskatchewan to support national advertising with a series of bus boards during May and June. In addition, a series of four news articles were written to feature egg recipes and to promote our recipe booklets. These articles were distributed to daily and weekly newspapers via the News Canada service. In the coming year, the Board will continue its promotional activity and focus more attention on developing improved relationships with the grocery and retail industry to improve the merchandising of eggs.



Alberta Hatching Egg Marketing Board

Alberta Hatching Egg Marketing Board Revenues and Expenses December 31, 1993

1992 - 1993

Total Revenue
\$ 165,981 \$ 213,603

Total Expenses
\$ 153,679 \$ 156,842

Net Revenue
\$ 12,302 \$ 56,761

Source: Alberta Agricultural Products
Marketing Council

There were many issues and concerns that helped shape the 1993 agenda for the Alberta Hatching Egg Marketing Board. The Board dealt with three increases in the quota level, completion of the Cost of Production study, several regulation changes, an increase in price and a producer meeting. Other activities included several quota transfers, new membership in two agricultural organizations, participation in workshops and seminars, and attendance at many meetings.

As most producers are aware, the first phase of the Cost of Production study was completed in spring 1993. Upon its completion, the Board established the Formula Pricing Committee, the mandate of which is to "approve the method of establishing the cost of production for the Alberta hatching egg industry." The Committee will examine the Cost of Production and provide recommendations for changes as required.

For the second consecutive year, the Board hosted a producer only meeting in Red Deer on June 4, 1993. It provided an opportunity for the Board to update producers on its activities and an opportunity for producers to discuss amongst themselves any issues of interest and concern. Alternate methods of payment for hatching eggs was one item on the agenda. A great deal of conversation was generated. Producers approved a motion directing the Board to pursue the study of alternate methods of payment and to later report the results to producers as they became available. Another topic of discussion was the concept of minimum standards for the hatching egg industry. Producers approved a motion for the establishment of a guideline for hatching egg production in Alberta.

Chicken demand during 1994 is projected to be extremely strong. Projections for the first three periods of the year, in particular, are significantly higher than the same three periods during 1993. The Canadian Chicken Marketing Agency has increased its Period I allocation by 2.23 per cent over Period I 1993 production, Period II by 8.75 per cent over Period II 1993 production, and Periods III and IV combined by 19.4 per cent. This translates into a very healthy demand for hatching eggs. As of early 1994, the Hatching Egg Board is projecting a demand for approximately 62.5 million hatching eggs during 1994. Production during 1993 was about 55.5 (preliminary) million hatching eggs, the 1994 demand is therefore about 13 per cent greater than 1993 production.

The Board's inspector, Frank Walsh, was hired in 1992. His initial assignment was to determine the source of the discrepancy between the Agriculture Canada figures reporting eggs set in the province and the figures received at the Board office from the hatcheries. The necessity of determining this discrepancy is that each year the Canadian Broiler Hatching Egg Marketing Agency reconciles the amount owing on levies with the provinces. This reconciliation is based on the difference between the levies received from the provinces and the statistics gathered by Agriculture Canada regarding the number of eggs set. Mr. Walsh found several hundred thousand imports which were not recorded as imports and as such were counted as eggs which required a levy payment. This greatly reduced the 1991 discrepancy because Alberta is not required to pay a levy on imported hatching eggs.

During 1994, the Board will update its plan and regulations to conform with the 1987 Marketing of Agricultural Products Act. A complete re-writing of the Hatching Egg Plan and Regulations will be required.

Without doubt the most significant recent decision of government was to abandon the clarification of Article XI in favour of tariffs. While the decision will have no immediate impact on import levels, it does signify that change is inevitable. It is vitally important that hatching egg producers throughout Canada speak as one voice in the coming years so that we can have influence and manage the change, and that our needs are known and addressed.

Alberta Sheep and Wool Commission

Sheep and Wool
Commission
Revenue and Expenses
August 31, 1993
1992 - 1993

Total Revenue
\$ 216,594 \$ 442,304

Total Expenses
\$ 141,955 \$ 457,768

Net Revenue
\$ 74,639 \$ (15,464)

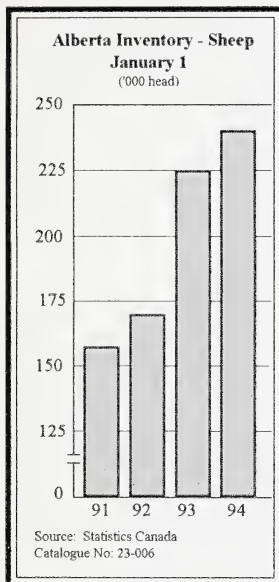
Source: Alberta Sheep and Wool
Commission Annual Report

Early in 1993 producers felt optimism as lamb prices rose, but in May and June prices collapsed. Then prices took a very unseasonable leap in September and hopes rose again. During traditional periods of short supply some surpluses developed. In some of the usual peak times shortages appeared. These swings would have been unusual in the past but unpredictability seems to have become the norm in the sheep industry.

The Alberta sheep flock continues to expand at a steady pace even as contraction occurs elsewhere, especially in the United States. Favourable feed supplies, National Tripartite Stabilization (NTS), British Columbia and Alberta forestry/urban grazing projects, better market access, government and Alberta Sheep Commission development policies and programs all contributed to the expansion. Better market access and the virtual disappearance of the annual glut at Canada West Foods has also encouraged producers to focus on increasing flock sizes.

Rapidly deteriorating grain marketing opportunities are causing some producers to diversify into sheep. Although hogs and cattle are usually considered for farm diversification, their high capital investment can be a deterrent. Under the present conditions, the Alberta flock will continue to expand. If market returns increase, numbers could also be affected either through a larger sell off or increased ewe/lamb retention.

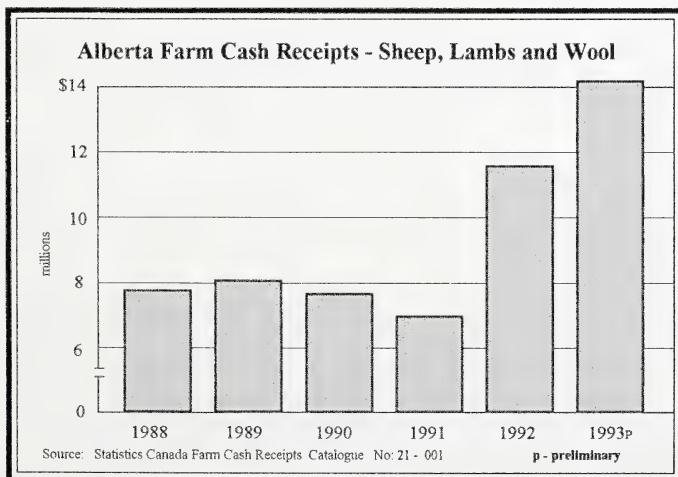
Alberta government support for the sheep industry remains steadfast. However, with declining revenues, cutbacks are occurring and they have affected government support programs and extension services. This situation may well prompt alternative approaches towards the delivery of government assistance. In 1993, the Alberta Sheep and Wool Commission received its second \$200,000 payment from the Alberta government for sheep industry development. After focusing on lamb market development and promotion during the previous year, funding emphasis is shifting more towards sheep production and expansion of flocks.



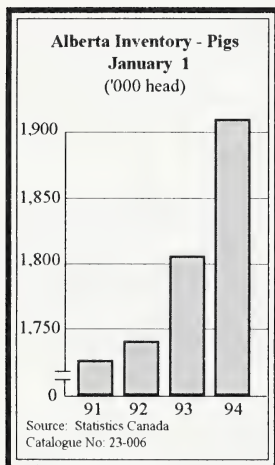
As part of the sheep industry development process in 1993, an Alberta Sheep Industry Task Force was created. This group includes participation from all levels of the Alberta sheep industry and various levels of the Alberta government. Its mandate is to develop a strategic plan for the industry that is both realistic and feasible. The task force also hopes to follow up on its recommendations to ensure they are implemented, developed or even attempted - whatever is appropriate. This important step will avoid the dusty destiny of other ill fated national sheep industry studies and plans.

British Columbia and Alberta forestry and urban grazing projects continue to play an increasing role in the Alberta sheep industry. In 1993, 30,000 sheep were certified for projects in both provinces. In order to obtain a better understanding of the feasibility and viability of forestry grazing in Alberta, the Commission and the Alberta Forest Service carried out an extensive research project in central Alberta. Possibilities also exist for developing grazing projects in range reclamation and for wildlife habitat improvement in other areas of the province.

In future, government involvement would likely be in the development of specific projects rather than cheques to individual producers. The Canadian Sheep Federation will be developing a business plan setting goals and direction within projected time frames. The future in Canada for the sheep industry looks brightest in the West and because of this, the efforts of the Canadian Sheep Federation will be directed to the West.



Alberta Pork Producers Development Corporation



Alberta Pork Producers Development Corporation	
Revenues and Expenses	
1992 - 1993	
Total Revenue	
\$3,855,446	\$3,614,103
Total Expenses	
\$3,507,071	\$3,560,855
Net Revenue	
\$ 360,283	\$1,166,837
Source: Alberta Pork Producers Development Corporation 24th Annual Report	

Since its formation in 1969, the Alberta Pork Producers Development Corporation (APPDC) has had as one of its objectives the encouragement of industry development through the provision of research support grants. Where possible, funds were matched with public and other private funds. Most of this granting support has been put to work at institutions in Western Canada, mainly at the University of Alberta, the Western Veterinary College and the Veterinary Infectious Disease Organization at Saskatoon. Research projects at institutes like the Agriculture Station at Lacombe have also been funded. As well, the Corporation has supported some nationally coordinated research at other Canadian research centres.

In the ongoing issue of the live swine countervail, the United States Department of Commerce requested an Extra-Ordinary review of the decision of the Bi-National Panel conducting the appeal of the Fourth Administrative Review. The United States Federal Department of Commerce, acting at the urging of the National Pork Producers Council (NPPC), accused the Bi-National Panel of departing from the fundamental rules of procedures. The Extra-Ordinary Review Committee ruled that there was no reason to justify an Extra-Ordinary review. The determination of the Bi-National Panel that the National Tripartite Stabilization Program (NTSP) was non-countervailable in that period (1988/89) was upheld. This ruling established that the duty level paid in 1988-89 was too large and that the resulting over payment was to be returned. This resulted in a refund of about \$3.8 million dollars to the APPDC.

The APPDC supports the concept of a whole farm income as a base for future safety net programs. The APPDC feels that any future program maintain the provincial subsidy cap system that was incorporated in the NTSP.

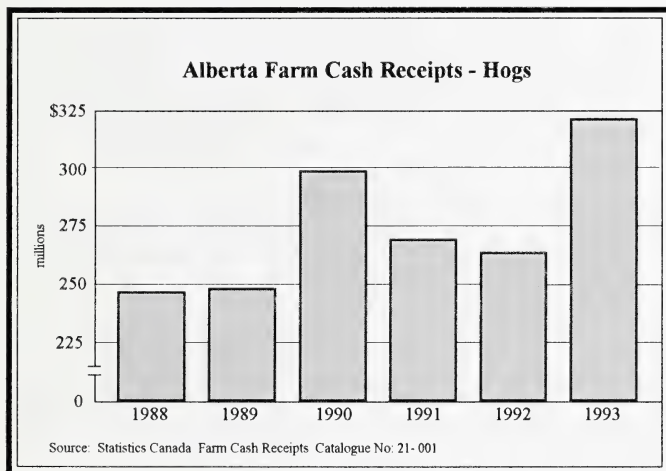
The Alberta Pork Producers Development Corporation has called for the end of the National Tripartite Stabilization Program when the fund balance reaches zero. The Canadian Pork Council has also called for the end of the NTSP before July 1, 1994 and has requested that a new program which is acceptable internationally, be implemented.

Marketing continued to be a primary activity for the APPDC during the past year. The Corporation collected a service charge on over 2.2 million live swine in 1993. This represents a decline of about 2.2 per cent from 1992. The average producer pool price was 17.6 per cent higher than comparable 1992 levels at \$1.455 per kilogram.

There have been a number of interesting changes in the meat packing industry during 1993. In October Burns Foods and Fletcher's Fine Foods announced they had reached an agreement in principle to jointly fund the expansion of Fletcher's Red Deer plant. Both companies saw this as a way to obtain greater hog supplies at efficient operating costs for their further processing operations. One month later Burns Foods announced that it had negotiated a deal with the Alberta government for the purchase of Gainers Inc.

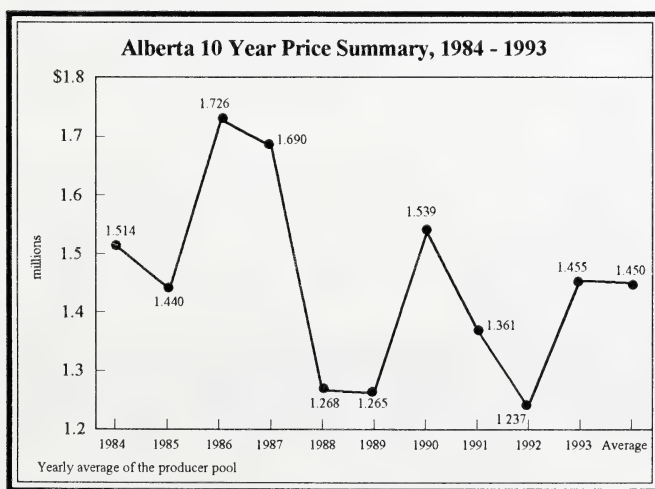
ALBERTA PORK PRODUCERS DEVELOPMENT CORPORATION

Last year the Alberta Pork Producers Development corporation became a member of the Classroom Agriculture Program (CAP). This program has now gained the support of 11 other organizations in Alberta. The program has been very effective in getting agriculture's message across to Grade 4 students. This year, 500 volunteers reached 26,267 Grade 4 students in 1,135 classrooms in 657 schools. The success of this endeavour depends on volunteers from the agricultural community giving their time to go into the schools and spread the message of agriculture to the future adults in the province.



This was a challenging and successful year for Alberta pork. Major promotion activities included print, broadcast and outdoor advertising, and television cooking segments throughout the year.

The 90s continue to offer many new promotional opportunities and challenges for the Alberta pork industry. With changes and advancement in trade technology, it is now possible to export chilled pork into the global marketplace. Alberta must continue to offer Canada's best and the world's finest pork.



Alberta Cattle Commission

This year has been, and continues to be, an exciting time in the cattle business. The industry has been fortunate to see record high and extremely strong prices sustained for all of 1993. Strength in fed cattle prices has translated into an additional \$15 - \$30/cwt on feeders and calves this summer and fall, over and above last year's prices. The optimism and good returns are also having a very large impact on the structure of the industry in both Alberta and Canada.

In Alberta there is an expansion of the feeding sector. An additional 100,000 head of pen space, representing a 13-15 per cent increase, brings feedlot capacity to a one-time total of 850,000 head. This has meant that Alberta now produces more than 67 per cent of the fed cattle in Canada, up from 35-40 per cent in 1985. Canada will again export more than 1,000,000 head of cattle to the United States with roughly half coming from Alberta. This will likely translate into \$1.7 billion when combined with our meat exports.

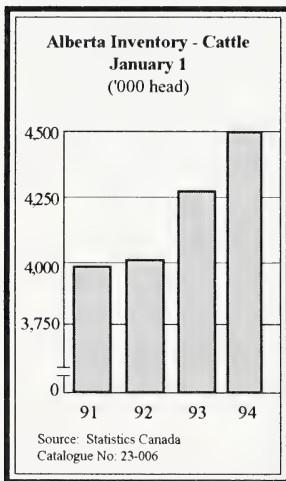
There is speculation that exports to Japan will increase 45 per cent from year ago figures bringing their share close to five per cent of total exports. Mexico and Korea will also receive significant increases in Canadian beef exports for 1993. Increased trade has had a very positive impact on producer prices and supplies.

Exports of live cattle and beef are becoming more important than ever. To maintain and expand this market, it is vital that a good working relationship with our trading partners continues. Increased contact with the United States National Cattlemen's Association and combined efforts to rectify mutual international trade problems is a priority for the Canadian Cattlemen's Association.

In conjunction with the Canadian Cattlemen's Association (CCA), the Alberta Cattle Commission (ACC) was instrumental in defending the industry and programs in the face of a Section 332 tariff act investigation by the United States. The ACC along with Alberta Agriculture, Food and Rural Development led the industry and governments to a national agreement on the elimination of the National Tripartite Stabilization Program (NTSP). Premium collection ended September 30 with termination by December 31, 1993.

The ACC assisted the CCA this past spring in hosting the Canadian International Trade Tribunal commissioners and staff touring Alberta. They studied the competitiveness of the Alberta industry compared with both the United States and Mexico. The results of this study certainly document the ACC's contention that even with Alberta's northerly latitude, the industry is extremely competitive in the North American feeding industry.

The whole issue of a vote or plebiscite has gone back and forth with many proposals but the ACC insisted on a vote that was credible, neutral and informed. The Commission is pleased that, in consultation with other industry organizations, a plebiscite will be conducted early in 1994.



Alberta Cattle Commission Revenues and Expenses March 31, 1993 1992 - 1993	
Total Revenue	
\$ 3,556,753	\$ 5,592,666
Total Expenses	
\$ 3,737,636	\$ 6,015,490
Net Revenue	
\$ (180,883)	\$ (422,824)

Source: Alberta Cattle Commission
Annual Report

The CCA is proactively involved with Trout Unlimited Canada and the ACC on a riparian management project. Publications like *Just Facts* received rave reviews at the Four Nations Beef Conference in Australia. The Animal Health Committee continues to work toward the elimination of visual inspection of export slaughter cattle. The practice serves no useful purpose and is an unnecessary cost to cattle feeders. The CCA continues to lobby for a review of bluetongue regulations based on scientific fact. Producers in the northwest United States have a longstanding grievance with Canada's bluetongue regulations and a refusal to review based on fact could have serious implications on beef trade.

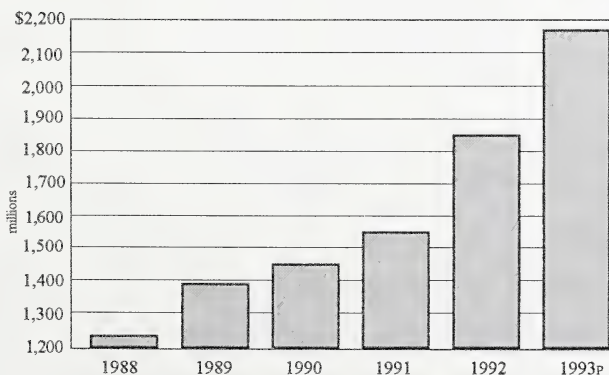
Alberta Cattle Commission research is the result of practical cattle producers wanting to stay ahead of competitors inside and outside Canada. Cattle producers have realized that if they do not initiate and direct quality research, their competitors surely will.

To ensure that the best possible research results are obtained, members of the Technical Committee attended an International Centre for Agriculture Science and Technology workshop in Calgary. The workshop made them aware of the tools needed to look beyond the initial research. Data must be followed through from the inception of an idea to a fully developed technology and most important, transferred as technology to cattle producers. It is such maturing of the research component of the Technical Committee that will pay big dividends in the future.

Throughout the year there have been extensive discussions with the research community to communicate cattle producers' research priorities. Commission members have attended or had input into five major research planning meetings at both the federal and provincial levels. The ACC continues to fund research projects such as bovine genetics, alternate branding techniques, detection and prognosis of infections in cattle, impact of

the petrochemical industry on production, packaging of beef cuts, effects of extended storage on purge losses and microbial safety, early post-mortem tenderization and vascular infusion to control shrinkage, chilling and quality of beef. Many of these projects are ongoing in 1993-94.

Alberta Farm Cash Receipts - Cattle and Calves



Source: Statistics Canada - Farm Cash Receipts Catalogue No: 21-001

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Board or Commission	Telephone	Address	Plan Implemented
Alberta Barley Commission	Telephone: 291-9111 Fax: 291-0190	321 Stockman's Centre 2116 - 27 Avenue N.E. Calgary, Alberta T2E 7A6	1991
Alberta Canola Producers Commission	Telephone: 452-6487 Fax: 451-6933	#170, 14315 - 118 Avenue Edmonton, Alberta T5L 4S6	1989
Alberta Cattle Commission	Telephone: 275-4400 Fax: 274-0007	#216, 6715 - 8 Street N.E. Calgary, Alberta T2E 7H7	1969
Alberta Chicken Producers	Telephone: 488-2125 Fax: 488-3570	#101, 11826 - 100 Avenue Edmonton, Alberta T5K 0K3	1965
Alberta Egg Producers Board	Telephone: 250-1197 Fax: 291-9216	#15, 1915 - 32 Avenue N.E. Calgary, Alberta T2E 7C8	1967
Alberta Hatching Egg Marketing Board	Telephone: 451-5837 Fax: 452-8726	14815 - 119 Avenue Edmonton, Alberta T5L 2N9	1982
Alberta Pork Producers Development Corporation	Telephone: 474-8288 Fax: 471-8065	10319 Princess Elizabeth Avenue Edmonton, Alberta T5G 0Y5	1968
Potato Growers of Alberta	Telephone: 291-2430 Fax: 291-2641	#230, 2116 - 27 Avenue N.E. Calgary, Alberta T2E 7A6	1988
Alberta Pulse Growers Commission	Telephone: 782-7838 Fax: 782-7838	Field Crops Development Centre Agriculture Building, Bag 47 Lacombe, Alberta, T0C 1S0	1989
Alberta Sheep and Wool Commission	Telephone: 295-1988 Fax: 275-8009	#212, 6715 - 8 Street N.E. Calgary, Alberta T2E 7H7	1972
Alberta Soft Wheat Producers Commission	Telephone: 380-4189 Fax: 328-6880	Box 875, 1014 - 3 Avenue North Lethbridge, Alberta T1J 3Z8	1990

Contact	Function/Purpose
Clif Foster General Manager	To coordinate, sponsor or co-sponsor on behalf of farmers, agronomic research, market development and promotion, information and technology transfer and policy development.
Bruce Jeffery Manager	To develop and implement projects and programs to increase and improve the production and marketing of canola, inform producers and advise governments on matters concerning the canola industry.
Gary Sargent Manager	To enhance the economic well-being of the Alberta cattle producers by lobbying government, enhancing the industry's image, promoting beef to consumers, liaising with producers and executing industry programs and services.
Roger King Secretary Manager	To regulate the production of chickens, to allot production and marketing quotas and to represent producers at national agency meetings.
Warren Chorney General Manager	To stabilize the egg industry against extreme fluctuations in price, improve the monetary returns to producers, monitor the quality of eggs, improve productivity through research and encourage consumption of fresh eggs.
Julie Toma Secretary Manager	To regulate the production of hatching eggs, to negotiate prices to be paid to producers, to allot production and marketing quotas and to represent producers at national agency meetings.
Ed Schultz General Manager	To provide for effective promotion and effective control and regulation in all aspects of the marketing of Alberta slaughter hogs.
Al Stuart Manager	To establish and maintain a minimum price on all table and seed stock, excluding potatoes for processing, sold in Alberta.
Bob Park General Manager	To provide responsible leadership in the development of a progressive, viable pulse industry in Alberta.
Will Verboven Secretary Manager	To initiate, support or conduct programs that stimulate, increase and improve the economic well being of the sheep industry by developing better marketing methods, grading standards, and research and development programs.
Andy Kovacs Executive Director	To develop and implement projects and programs to increase and improve production, promote research and improve marketing of Alberta grown soft white spring wheat.

Board or Commission	Telephone	Address	Plan Implemented
Alberta Sugar Beet Growers' Marketing Board	Telephone: 223-1110 Fax: 223-1022	4900 - 50 Street, Box 190 Taber, Alberta T0K 2G0	1983
Alberta Turkey Growers Marketing Board	Telephone: 465-5755 Fax: 465-5528	#212, 8711A - 50 Street Edmonton, Alberta T6B 1E7	1967
Alberta Fresh Vegetable Marketing Board	Telephone: 327-0447 Fax: 327-0766	220E - 12 Street A North Lethbridge, Alberta T1H 2J1	1974
Alberta Vegetable Growers' Marketing Board	Telephone: 223-4242 Fax: 223-4242	Box 2273, 217 - 50 Avenue Taber, Alberta T0K 2G0	1958
Alberta Winter Wheat Producers Commission	Telephone: 328-0059 Fax: 328-0969	1205 Michigan Place South Lethbridge, Alberta T1K 3P4	1990

Contact	Function/Purpose
Bruce Webster Secretary Manager	To negotiate prices to be paid to producers, to allot production quotas and to improve and increase the production and marketing of sugar beets.
Greg Smith Secretary Manager	To regulate the production of turkeys, to allot production and marketing quotas and to represent producers at national agency meetings.
Neil Reid Manager	To set minimum prices to be paid to producers and to see that a system of grading is maintained and to enhance the well-being of Alberta fresh vegetable producers.
Terry Craddock Secretary	To negotiate with the processor the prices and the terms of an annual agreement on behalf of the producers of vegetables grown for processing .
Sharol Siewert Office Manager	To develop and implement projects and programs to increase and improve production and marketing of Alberta-grown winter wheat.

